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United Nations reform: measures and proposals

United Nations common system

Strengthening the international civil service

Report of the Secretary-General*

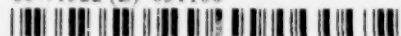
I. Introduction

1. The Secretary-General, in his report on renewing the United Nations: a programme for reform (A/51/950), stressed that urgent efforts were needed to enhance the effectiveness with which human resources are managed in the United Nations and to strengthen the international civil service. He recommended to the General Assembly that it initiate a review of the International Civil Service Commission, including its mandate, membership and functioning in order to increase its effectiveness in meeting the challenges facing the United Nations system of organizations. In making that proposal, the Secretary-General recognized that many of the issues involved extend beyond the United Nations Secretariat and should be considered in the context of the ongoing reform process throughout the United Nations system. In this regard the Administrative Committee on Coordination, in 1998, noted that human resources management reforms are the key to improving further the capacity of organizations to fulfil their diverse mandates effectively and efficiently; and that such reforms must uphold and strengthen the fabric of the international civil service within the framework of each

organization's particular structure and personality. Thus, the Administrative Committee on Coordination considers that the common system must be maintained and strengthened, and must become more responsive to the diverse requirements of organizations for operational flexibility.

2. In its resolution 52/12 B of 19 December 1997, the General Assembly decided to examine the recommendation of the Secretary-General on initiating a review of the International Civil Service Commission. At its fifty-fourth session, in its resolution 54/238 of 23 December 1999, the General Assembly, having considered a note by the Secretary-General on the subject,¹ decided that the review process should be impartial and transparent, that the Commission should participate fully in the process and that it would revert to the consideration of the modalities of the review at its fifty-fourth session, subject to the submission by the Secretary-General of information previously requested. The resolution specified that the following elements must be contained in the information submitted to it: (a) concrete and specific reasons, if any, for such a review; (b) identification of specific problems, if any, to be addressed; (c) objectives to be achieved by the review; (d) possible impact of such a review on the common system; (e) information on progress achieved as a

* The present report is being submitted on 27 October 2000 so as to reflect the outcome of inter-agency consultations.



result of previous reviews of the working methods and functioning of the Commission.

3. The present note is presented in response to the above request of the General Assembly.

II. Challenges facing the United Nations common system

4. In recent years, major reforms have been carried out in all organizations of the United Nations common system. These reforms have involved the organizations in examining their missions, sharpening their focus, reorienting their structures, programmes and processes, and improving their service delivery, efficiency and cost-effectiveness, with a view to better meeting the evolving requirements of their membership. Integral to these management reforms has been the need to align the human resources capacity of each organization with its mission, structure and culture.

5. The common system's most valuable asset is its staff. They are a unique civil service, with a degree of geographic, linguistic and cultural diversity not matched by any other public sector workforce in the world. The staff of the international civil service are highly qualified and bring to each organization a wealth of experience and diverse perspectives. The staff of common system organizations in the future will be better trained, more flexible, more mobile and better integrated as a global team. Staff costs form the largest single component of the budget of almost all organizations. The sound management and development of staff must therefore be viewed as an investment in the future success of each organization, and as key to the effectiveness of their ongoing reform processes.

6. Streamlined, more effective organizations faced with increasingly complex and multidisciplinary mandates require, more than ever, a strong, versatile international civil service of the highest calibre. The management of human resources in the United Nations system has traditionally been characterized by labour-intensive day-to-day staff administration and mechanical compliance with complex rules and processes, which tend, at times, to impede, rather than support programme delivery, and are not conducive to maximizing the contribution of staff. The nature of human resources management in the common system has, in recent years, undergone major changes. The

main focus of current approaches is on framing policy centrally and providing advice and guidance on "people" issues to line managers on substantive agendas linked to the strategic programme requirements of each organization. As part of the same approach, organizations are now giving increased attention to building commitment to shared organizational values and ethical standards; establishing core and managerial competencies; developing and continually updating skills of staff; strengthening managerial capacity; creating appropriate incentives; exploring possibilities for delivering common services; and encouraging the proactive management of change.

7. Executive heads throughout the system are aware that the capacity to attract, develop, motivate and retain the highest quality personnel is critical to implementing organizational changes aimed at enabling organizations to effectively meet the mandates set by Member States. As the Administrative Committee on Coordination has repeatedly stressed, restoring competitiveness in conditions of service must be viewed as an integral part of any reform process. Likewise, each organization must be able, within the framework of the common system and as a means to preserve and strengthen it, to exercise flexibility and innovation in personnel management to improve productivity and achieve greater impact. Some organizations have had to restructure and to consider alternative approaches to meet particular needs as they arise. The challenge is to develop a streamlined, competitive package of conditions of service for staff (covering remuneration, modern contractual arrangements and core working conditions, including attention to work/life issues) and appropriate arrangements for other contractual service providers that reflect best practices, provide a greater degree of operational and administrative flexibility and are tailored to the needs of a modern global civil service.

8. Organizations are also working to develop a results-oriented culture, where managers are accountable for their performance and where achievement, professional excellence and continuous learning are rewarded and replace seniority-based career progression. Management of human and financial resources is increasingly being decentralized to line managers, and this delegation of authority must be accompanied by clearer, simpler regulations and rules, and streamlined processes and procedures.

9. In all of these efforts, the Secretary-General and the executive heads throughout the system look forward to the support and assistance of the International Civil Service Commission (ICSC), under the guidance of the General Assembly, as a proactive partner in the change process — in developing and gaining acceptance of technically sound recommendations on modern conditions of service that will ensure that organizations remain competitive employers and will sustain the morale and commitment of the staff. While the ICSC statute (e.g. articles 10 (a), 14 and 15) provides sufficient scope for the exercise by the Commission of an active advisory role in this respect, the effective performance of such a role would require building up the capacity of the Commission as a source of expert information and policy guidance, taking into account strategies, and best practices, being adopted in the public and private sector throughout the world. Executive heads would also wish to see a reconciliation of the issues that have led one of the international civil service staff associations to decline to participate in the work of the Commission for some time, so as to strengthen collaboration between the Commission and all of its partners.

10. In recent years, conscious of the changing role expected of national civil services under processes of domestic reform, a large number of countries have begun to review national level bodies having a similar role and function to that of the Commission. At a time when common system organizations are being expected to implement substantial internal changes, under the guidance of their respective governing bodies, it would similarly be fitting for the General Assembly to seek to assure itself that the central body having an important impact on human resource management is equipped to maximize its contribution to the process of United Nations system reform.

11. It is for these reasons that the Administrative Committee on Coordination endorsed the proposal of the Secretary-General that the General Assembly initiate a review of the Commission, including its mandate, membership and functioning, so that the Assembly may take the lead in exploring ways to maximize the capacity of the Commission to provide guidance in areas that are crucial to the challenges facing the organizations of the United Nations system, both individually and as a community bound by common policy and programme imperatives.

III. Objectives motivating the proposed review

12. Against this background, the Secretary-General and the executive heads consider that the objectives of the proposed review should include:

(a) Contributing, as an overarching concern, to building and furthering a proactive partnership between Member States, common system organizations and their staff and the Commission, so as to enable the United Nations common system to effectively meet the future needs of the international civil service;

(b) Bringing greater cohesion to those areas which are common to the management of human resources across the United Nations system, and hence strengthen the common system, while facilitating the task of organizations in meeting their individual operational challenges. This must be built on in-depth, ongoing knowledge of the programme requirements and, hence, of the human resource management needs of the various agencies comprising the system, thus providing the General Assembly with a better overview of system-wide developments and assisting it in guiding the work and priorities of the Commission;

(c) Exploring ways to enhance the capacity of the Commission to play a key role, based on up-to-date technical expertise available to it, in assisting executive heads to strengthen and modernize the international civil service;

(d) Focusing on ways in which the Commission can make tangible contributions to reform processes and the management of change throughout the United Nations system, including by further development of its advisory capacity.

IV. Previous review exercises, their outcomes and recent initiatives

13. Since its establishment, the Commission has been the subject of a number of review exercises of different types, which have, by and large, proved somewhat inconclusive. Recently, in the context of the management of its work programme, the Commission has taken a number of initiatives in response to requests from the General Assembly, organizations and/or staff representatives.

A. Previous review exercises and their outcomes

14. Previous review exercises have been motivated by a wide range of different concerns, such as the relationship between the consultative partners (including the governing bodies of United Nations system organizations) and the General Assembly, especially as it relates to the mandate, membership and functioning of ICSC; recognition of the differences among the organizations of the common system; preservation of the independence and impartiality of Commission members; the size and structure of the Commission; management of the work programme and sessions of ICSC; and the Commission's secretariat.

15. In resolution 42/221 of 21 December 1987, the General Assembly requested ICSC itself to undertake a study of its functioning with a view to enhancing its work and to report thereon to the General Assembly at its forty-third session. In resolution 43/226 of 21 December 1988, the General Assembly noted that the Commission had not found it possible to undertake a more in-depth review of its functioning and stressed the need to undertake, as soon as possible, a full review of the functioning of the Commission, including the definition of the role of the Commission in relation to the determination of the conditions of service of the staff, and the Commission's relation to the General Assembly. The General Assembly also requested ICSC to expand the review of its functioning in consultation with the organizations of the United Nations common system and staff representatives and to present proposals thereon at its forty-fifth session.

16. In resolution 44/198 of 21 December 1989, the General Assembly, recalling resolution 43/226, requested the Secretary-General, together with his colleagues in the Administrative Committee on Coordination and after consultations with representatives of staff participating in the Commission, to review the functioning of the Commission and to submit to the General Assembly at its forty-sixth session a report on the matter together with the views of the Commission thereon. This was, perhaps, the broadest review effort. It ended inconclusively in 1991 with the Commission unable to accept most of the suggestions proposed by the Administrative Committee on Coordination and staff representatives refusing to participate.

17. In resolution 49/223 of 23 December 1994, the General Assembly requested that the staff bodies and organizations and the Commission review with all urgency how the consultative process of the Commission can be furthered. The Commission reported on the matter to the General Assembly at its fifty-third session on the basis of the recommendations of a working group on the consultative process established by ICSC. The General Assembly, in its resolution 53/209 of 18 December 1998, took note of the changes introduced by the Commission in its rules of procedures that could enable all parties to ensure that their views are reflected during all phases of the consideration of all issues. It also requested the Commission to monitor implementation of the revised rules of procedure and to report thereon to the General Assembly at its fifty-seventh session.

18. While this was a useful exercise, the Commission decided that these changes would go into effect only when staff representatives resumed their active participation in the work of ICSC. The General Assembly has, indeed, on several occasions (see resolutions 43/226, 47/216, 48/224 and 50/208), noted its concern over the non-participation of staff representatives in the work of the Commission. The absence of one or other of the staff bodies from ICSC proceedings sporadically since 1988,² irrespective of the reasons for the situation, has definitely inhibited the Commission's work.

19. In addition to these review exercises, the Board of Auditors undertook a management review of the ICSC secretariat in 1998. While a number of the recommendations of the Board were taken up by the Commission, by its nature an audit report relates to past performance rather than future-oriented reforms.

20. Apart from the issue of staff participation in the Commission, a reason for the lack of substantial progress achieved with previous review exercises may stem from the fact that, in practice, it is difficult for an administrative body to objectively review its own functioning. Nor, for the same reason, can a review by any of the consultative partners alone be effective. This suggests that the most appropriate modality to meet the broad objectives outlined above would be an independent review under the aegis of the General Assembly, with the active involvement of ICSC. Arrangements for such an independent review would need to have the authority of the General Assembly and the support of its interlocutors.

B. Recent initiatives by the Commission

21. Either at the urging of the General Assembly, through its own experience, or at the request of the organizations and staff representatives, the Commission has introduced changes in its working arrangements and procedures in recent years.

22. As noted above, even though the Commission's work on revised consultative arrangements between it and its constituents has not been fully implemented, there has been some improvement during the past few years in the day-to-day operating arrangements between the parties.

23. Very recently, in 1999, the Commission responded to the concerns of organizations by working with them on establishing an integrated framework for human resources management. Further to this initiative, the Commission determined, in July 2000, to undertake a review of the pay and benefits system. The review should lead within the next year or so to a set of options which the Commission can consider for streamlining and increasing the competitiveness of the current remuneration system. The organizations and staff representatives have welcomed these developments.

24. This welcome initiative primarily concerns the content of the Commission's work programme and does, as such, relate directly to the broader systemic issues regarding the role of ICSC in relation to the common system and the future strategic objectives of the Commission, which the proposed review should be geared to address in order to meet the objectives outlined in the present note. At the same time, the new elements of the work programme clearly stem from some of the main concerns and objectives that have guided the proposal for such a review. As such, they are an encouraging sign that the Commission shares these concerns and objectives, and that the proposed review can, with the Commission's cooperation, achieve the desired results.

V. Issues to be addressed in the proposed review

25. The members of the Administrative Committee on Coordination recommend that, remaining within the terms of the current statute of ICSC, the systemic

issues outlined below should be the focus of the proposed review.

A. The mission of the Commission

26. A key issue to be addressed in the proposed review would be the elaboration of the role to be played by the Commission in the coming decade in contributing to reinforcing the common system and the capacity of organizations to operate efficiently and effectively in the pursuit of both system-wide objectives and their individual organizational goals. Of particular importance in this context, in line with the review exercises under way in many national civil services, is the most effective balance to be struck between central regulation and decentralization and deregulation.

27. The Secretary-General and the executive heads want to see a strengthening of common personnel standards, methods and arrangements (article 9 of the ICSC statutes) and consider that the common system will be enhanced by a framework that recognizes and encourages innovation and best practices and is capable of, and intent on, responding to the programmatic and related human resource requirements of the organizations adhering to it. They wish to see a reinforcement of the capacity of the Commission to further this process, and, thus, of its contribution to sustaining the common system. This implies an elaboration of the Commission's current role as a central body in relation to the various and changing needs of organizations in the pursuit of both individual and common programme objectives.

B. Membership

28. The Administrative Committee on Coordination is conscious of the key role that ICSC is called upon to play in maintaining the cohesion and integrity of the international civil service. This is reflected in the unique procedures for appointment of ICSC members, which are different from those of other bodies reporting to the General Assembly. The process of selecting and nominating candidates, as contained in articles 3 and 4 of the statute, calls for a delicate balance of consultative arrangements designed to ensure that confidence and competence are maximized, and that the General Assembly has the benefit of an

extensive consultative process before taking its decisions.

29. The procedure outlined in article 4 requires the Secretary-General, in his capacity as Chairman of the Administrative Committee on Coordination, to consult with Member States, the Committee on Coordination and staff representatives and to compile a list of candidates. As a next stage, it calls for consultations with the Advisory Committee on Administrative and Budgetary Questions. The final stage of the procedure, "consideration and decision by the General Assembly", is the appointment of members of the Commission.

30. Article 3, in its turn, reflects, *inter alia*, the competencies and experience required of those to be appointed:

"The members of the Commission shall be appointed in their personal capacity as individuals of recognized competence who have had substantial experience of executive responsibility in public administration or related fields, particularly in personnel management."

31. The drafters of the statute obviously attached considerable importance to the manner in which the members of the Commission would be selected, a main underlying concern being that the process leading to their selection would be such as to ensure "general confidence in their competence and impartiality". The General Assembly has, on successive occasions, indicated its concern that the intent of these provisions should be adhered to, most recently in its resolution 51/216, which (a) reaffirmed the statute of the Commission; (b) emphasized the need to adhere to the provisions of articles 3 and 4 of the statute; and (c) requested the Secretary-General to draw the attention of Member States to the provisions of article 3.1 of the statute when presenting candidates for appointment to the Commission.

32. While the intent of the procedures embodied in the provisions of the statute referred to above is clear, identifying the most appropriate modalities for their effectual application, as previous discussions in the General Assembly on the matter have shown, is a complex issue. These modalities should preserve the prerogatives of Member States and the ultimate responsibility and authority of the General Assembly, while ensuring that the various parties referred to in article 3 of the statute feel that they have been provided an opportunity to make an actual contribution to the

selection process, and not merely a pro forma one, with the safeguarding of the independence and impartiality of the Commission remaining a basic concern common to all parties. These are important elements in nurturing "the general confidence" rightly highlighted in the ICSC statute. The review could also profitably extend to the mix of expertise and experience, which, within the competencies mandated by article 4 of the statute, should be sought over time among prospective members of the Commission, so as to maximize its contribution, both as a regulatory and an advisory body.

C. The functioning of the International Civil Service Commission

33. In addition to ways to carry forward the implementation of the functional improvements agreed to in 1998 and already referred to in this note, a number of other issues more directly concerned with the actual functioning of the Commission could profitably be addressed in the review, so as to maximize the capacity of the Commission to respond quickly to the changing needs and priorities of individual organizations. The aim should be to strengthen the capacity of ICSC and its secretariat to provide expert advice to the organizations, based on thorough knowledge of the ways in which human resources management issues are currently addressed in the public and private sectors, and to ensure that the Commission is equipped to take a proactive role in keeping organizations abreast of best practices, both among them and in comparison with other relevant sectors.

34. In this as in other areas, nurturing the interest, confidence and trust of all parties in the Commission's work should be a basic objective.

VI. Concluding observations

35. In resolution 54/238, the General Assembly asked the Secretary-General to provide specific information directed to establishing the nature and purpose of the review being proposed. This note seeks to respond to that request. It aims to identify the reasons why the Administrative Committee on Coordination is proposing such a review, the objectives to which it is directed and the desired impact on the common system,

the outcomes of previous reviews and the particular problems that should be addressed.

36. The review proposed by the Secretary-General and the executive heads should be seen and approached as an integral part of the reform processes under way in all organizations, designed to strengthen the United Nations system and its capacity to effectively meet the new, complex challenges facing the common system and the international civil service. Against this background, the goal is to reinforce and modernize the common system and, in that context, to determine how the contribution of the Commission to these objectives can best be maximized. The Administrative Committee on Coordination considers that the proposed review, to be effective, should operate at a systemic level, reflect on the mission and membership of the Commission, as well as its functioning, and provide an in-depth reappraisal of the complex network of relationships built into the ICSC statute, the provisions of which have stood the test of time. It is important, however, that their application and related arrangements and procedures be kept under review so as to ensure that they continue to fully meet the intent of the provisions and are adapted to changing needs and circumstances.

37. The review should be an independent one, carried out under the aegis and authority of the General Assembly. It should serve to enhance the leadership role of the General Assembly as the legislative organ for the common system and the role of ICSC in ensuring that the strength of the common system is maintained, as well as ensuring that ICSC has the necessary capacity and technical expertise to provide timely advice and guidance to its constituents on a range of matters impacting on organizational change.

38. The Secretary-General invites the General Assembly to proceed with the proposed review at its current session, in consultation with Member States, the Commission and its interlocutors.

Notes

¹ A/54/483.

² In fact, the Federation of International Civil Servants' Associations, the elder of two staff representative associations able to participate in the work of the Commission, has largely not done so for several years.